



OFFICE OF THE
HEALTH INSURANCE COMMISSIONER
STATE OF RHODE ISLAND

PUBLIC COMMENTS RECEIVED BY THE OHIC IN THE ORDER THEY WERE RECEIVED

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System

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1511 Pontiac Avenue • Building #69, First Floor • Cranston, RI 02920
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From: "Khimatian, Robert CTR NUWC NWPT" <robert.khimatian.ctr@navy.mil>
To: <healthinsinquiry@ohic.ri.gov>
Date: 5/17/2011 7:13 AM
Subject: Rate increases

These costs are out of control and I have 0 faith in RI regulators regulating anything. Most of people making these decisions are state employed and get their healthcare at 0 or litter cost if any , they are not effected . I would like to in see in detail the administrative cost as well as 3 last years of profit .

HealthInsInquiry - Response to suggested increases in Health insurance

From: "Betty Vargas" <stmichaels@fullchannel.net>
To: <healthinsinquiry@ohic.ri.gov>
Date: 5/17/2011 8:47 AM
Subject: Response to suggested increases in Health insurance

I would like to comment on the article in today's ProJo re: increases in health insurance for 2012. I can't understand for the life of me why insurance must go up anywhere from 8-10+% every year. I wish my salary would go up by those percentages!!! I haven't seen an increase in 3 years, however, the cost of my health insurance continues to go up. I am also paying for an insurance plan for my disabled daughter, who receives SSDI, but can't afford to pay for her insurance from that and her Medicare too! When is it going to stop???? How much more can the common man pay out of pocket? Someone needs to do something about it. The over all cost of my medical plus my daughter's per month is \$ 2,060. Ridiculous!!!

Betty Vargas

Parish Administrator
St. Michael's Church
P. O. Box 414
399 Hope Street
Bristol, RI 02809
Phone: 401-253-7717
Fax: 401-253-7785
Email: stmichaels@fullchannel.net
Website: www.stmichaelsbristolri.org

HealthInsInquiry - No more exhorbitant raises in health insurance premiums!

From: Judith Dawson <jdawson@bryant.edu>
To: "healthinsinquiry@ohic.ri.gov" <healthinsinquiry@ohic.ri.gov>
Date: 5/17/2011 10:55 AM
Subject: No more exhorbitant raises in health insurance premiums!

The people in Rhode Island CANNOT AFFORD ANOTHER RAISE IN HEALTH INSURANCE PREMIUMS! Please, please do not let these greedy vultures continue to bleed the people in this state dry! High unemployment, disgraceful gas prices, food no one can afford to eat and now another raise in health insurance premiums? How much can the average person take? 18-20 %? United Health should be ashamed of themselves!

Judith Dawson
Office of Financial Aid
Bryant University
Tel: 401-232-6020
Fax: 401-232-6293

Sent via MS-ForeFront SPAM filter

HealthInsInquiry - Proposed Health Insurance Rates for 2012

From: Patricia Farhat <pfarhat@bryant.edu>
To: "healthinsinquiry@ohic.ri.gov" <healthinsinquiry@ohic.ri.gov>
Date: 5/17/2011 11:07 AM
Subject: Proposed Health Insurance Rates for 2012

With so many people out of work in this state, the state of the economy, the price of gas, the proposed new taxes by the governor, I won't need health coverage because I will drop dead from the pressure of all these increases and trying to make these payments!

Please please please do not approve these health insurance increases in this state. Have you seen the new fancy Blue Cross building? Why should we have to pay for their indulgences?

Sincerely,

Patricia Farhat
Financial Aid Assistant

Sent via MS-ForeFront SPAM filter

May 17, 2011

Christopher F. Koller
Health Insurance Commissioner
Office of the Health Insurance Commissioner
1511 Pontiac Ave.
Building 69-1
Cranston, RI 02920

Dear Mr. Koller,

Imagine my surprise to open the Providence Journal today May 17, 2011 and see that the carrier for the health insurance offered to our employees – United Healthcare of NE- is proposing a 20% increase for large employers. An increase of this magnitude coupled with the cuts in funding our agency has received over the last three years will most likely drive us as an organization to more seriously consider whether we can offer health insurance to our 74 employees of which only 39 currently elect our coverage. Many have elected to take coverage under another plan or are not eligible for our plan. To obtain health insurance at our agency, you must work a minimum of 36 hours a week an amount we increased from 32 hours a week several years ago to address the increasing cost of health insurance. I'm not proud of the fact we have needed to limit access for our employees. Let me tell you a little more about our organization.

Opportunities Unlimited, Inc. provides supports and services to adults with developmental disabilities within the State of Rhode Island. We are reliant almost exclusively on Medicaid and state funds for our operations. We run a lean agency and our average hourly wage for direct support staff is \$10.35 an hour. An employee who works 40 hours a week earns \$21528 as an annual salary. We have not been able to give our employees any salary increase in over 6 years. We work hard to control expenses and have managed to keep workers' comp rates low and our general and liability insurance also have stayed somewhat constant. What we can not control is the cost of health insurance. It seems like we pay more and get less.

We currently offer two plans within United Health. One has no deductibles but has co pays of \$20 for physicians, \$30 for specialists, \$150 for emergency rooms and \$100 deductible for prescriptions. The other has a \$1000 deductible and the same co pays as noted above. The cost of the zero deductible plan ranges from \$642.18 a month for individual coverage to \$1765.98 a month for family plan. Our staff contribute \$70.57 per pay period (bi weekly) for a total of \$1834.82 a year. At \$10.35 an hour, an employee works 177 hours a year just to pay for his/her share of health insurance. On family plan,

our employees pay \$194.06 a pay period (bi weekly) for a total of \$5045.56 a year. Again at \$10.35 an hour, an employee works 487.5 hours just to pay for their share of health insurance- over 12 weeks just to pay for health insurance!

Two years ago in an attempt to control the costs (when our increase from United health was 18%), we began offering a \$1000 deductible plan to our employees. Over half jumped to this plan as the bi weekly share payments were less and our employees were willing to take on the risk of the deductible. Under this plan, an employee electing a single plan with the \$1000 deductible pays a share payment of \$37.30 a pay period (bi weekly) for a total of \$969.80. This employee works 93.5 hours a year to pay for his/her share payment. On a family plan with \$1000 deductible our employees pay \$102.60 a pay period (bi weekly) for a total of \$2667.60. This employee works over 257.7 hours a year to pay for their insurance – over 6 weeks a year.

This agency's biggest bill with the exception of payroll is our health insurance cost. We pay over \$38,000 a month for a total of \$456000 a year. This out of a 3.1 million dollar budget is approximately 15% of the total budget.

Quite frankly any increase will have serious effects on the employees of this agency. We will be “forced” to analysis our capacity to offer health insurance as a benefit to our employees. Imagine the recruitment nightmare in a field that is already marked by low wages with no increases routinely given. Why provide support to people with disabilities with all that involves, at a low wage and with no health insurance provided or worse a cost prohibitive plan?

We hear all the time how expensive we are to insure but I ask that you look closely at the profits of some of these companies over the last few years. I ask that you consider the information shared above and reject the increases requested by these carriers. All Rhode Islanders deserve better than this!

Thank you.

Linda N. Ward MA
Executive Director

From: <idance9999@cox.net>
To: <healthinsinquiry@ohic.ri.gov>
Date: 5/17/2011 11:20 AM
Subject: Raising health care costs

Hi,

My husband was laid off from a company he worked for 24 1/2. It took him two extremely stressful years before he got another job.
During that time we had no coverage and sometimes had RITE care.

My oldest son, who graduated from URI last May had NO healthcare from August 2010 to May 2011. Oh, did I mention that he has Asperger's?

My husband does not make as much money as he used to. I was laid off from a part time job that I held on and off for about 8 months.

Now United Healthcare wants to raise their prices again? I don't think we are heading in the right direction. More and more people are going to go bankrupt and possibly lose their homes. When is this bad news every going to end?

Please do not accept their increase of 15 percent. There are too many people out there still barely hanging on.

Thank you,

Jamie

From: Nancy Nicholson <nlnpianist88@gmail.com>
To: <healthinsinquiry@ohic.ri.gov>
Date: 5/17/2011 12:42 PM
Subject: health insurance premium increases

The health insurance companies' requests for increasing rates are driven purely by profit. The cost of living and inflation — both indicators of the need to raise rates — have not risen anywhere near the percentage that health insurers are intending to increase health premium rates.

We are in a devastatingly poor economy. I urge you to deny this attempt on the part of big business to again gouge the public.

Sincerely,

Nancy Nicholson
Providence, RI 02906

HealthInsInquiry - Health Insurance rate increase

From: Sean Barrett <sb31@hotmail.com>
To: <healthinsinquiry@ohic.ri.gov>
Date: 5/17/2011 12:56 PM
Subject: Health Insurance rate increase

Dear Health Commissioner,

In regards to the increase in health care rates please look into the real facts about these increases. These are nothing but profit taking increases. United health care is asking for 18-20% increase when they made massive 1 billion profit in the last quarter. This is laughable.....

"UnitedHealth Group, one of the health insurance industry's largest companies reported a hefty \$1.04 billion profit in the fourth quarter of 2010, up 10 percent from the third quarter. This trend was not limited to this company, rather all insurance companies appear to enjoying similar success with no signs of this slowing down in 2011."

Thanks,
Sean

HealthInsInquiry - Health care hikes

From: "Tiffany Venus" <TVenus@greenwoodev.com>
To: <healthinsinquiry@ohic.ri.gov>
Date: 5/17/2011 1:06 PM
Subject: Health care hikes

I think it's time we stopped adding an increase every year or two. Working people pay enough and are no longer getting the care they deserve. I spend more time in the office now when I visit my doctor b/c he wants to talk to me. That doesn't cost more. Technology has improved, but enough is enough. Someone needs to say "ENOUGH".



Tiffany Venus

Greenwood Emergency Vehicles, Inc.

Service Advisor

530 John Dietsch Blvd

North Attleboro, MA 02763-1080

PH: 508-809-9844 FX: 508-695-9047

HealthInsInquiry - Please Don't Approve Rates Hikes for the Beasts

From: <Daygrrrrl@aol.com>
To: <HealthInsInquiry@ohic.ri.gov>
Date: 5/17/2011 9:56 PM
Subject: Please Don't Approve Rates Hikes for the Beasts

it's unconscionable, it's wrong, while they reap record breaking profits...DO THE RIGHT THING AND DENY THESE RATE HIKE REQUESTS!!!

HealthInsInquiry - Proposed rate hike

From: MC <thepearl96@yahoo.com>
To: <healthinsinquiry@ohic.ri.gov>
Date: 5/17/2011 10:20 PM
Subject: Proposed rate hike

Re: Insurers seek rate increases ranging from 4.8% to 20%
ProJoJo 01:00 AM EDT on Tuesday, May 17, 2011

I am writing in opposition to the proposed rate hikes by the RI state's three healthcare giants. It is UNETHICAL that they would consider such a request in this dire economic climate. Why is it that their insatiable appetite for PROFIT befalls the common, hardworking person? Why doesn't the state hold a summit or working group to start finding real solutions to this healthcare mess! How about an audit! It's no secret that these health giants in both RI and Mass can throw some obscenely expensive corporate events and outings...yet they cry poverty...how interesting. Let's not forget those top executive salaries and bonuses. Who can respect that self-focused and greed-driven nature!

Don't be surprised if there is public outcry on the State House lawn! This state is going down the river and we can THANK these three examples of corporate swine for their contribution.

Sincerely,

HealthInsInquiry - Health Insurance Increase

From: Homeforgood2003 <homeforgood2003@yahoo.com>
To: <EVANS@dbri.gov>, <HealthInsInquiry@ohic.ri.gov>
Date: 5/18/2011 8:38 AM
Subject: Health Insurance Increase

United Healthcare and the others deserve ZERO increases. They have made record profits over the past three years. Please do the right thing and refuse to bend to corporate greed.

From: Adrienne EVANS
To: Lori Mello
Date: 5/18/2011 11:56 AM
Subject: Fwd: Health Insurance Increase
Attachments: Adrienne EVANS.vcf

*Note my new e-mail address

Adrienne-jo F. Evans FLMI, AIE, AIRC
Senior Health Insurance Analyst
State of Rhode Island
Department of Business Regulation
1511 Pontiac Avenue
Building 69-2
Cranston, RI 02920
Direct Line (401) 462-9613

>>> Homeforgood2003 <homeforgood2003@yahoo.com> 5/18/2011 8:38 AM >>>

United Healthcare and the others deserve ZERO increases. They have made record profits over the past three years. Please do the right thing and refuse to bend to corporate greed.

HealthInsInquiry - Health Insurance Rate Increase

From: "Info@ORS" <Info@OfficeRecyclingSolutions.com>
To: <HealthInsInquiry@OHIC.RI.gov>
Date: 5/18/2011 11:33 AM
Subject: Health Insurance Rate Increase

Dear Commissioner:

I cannot tell you how disappointed I am that the insurance companies are permitted to increase rates well beyond the inflation rate on companies' like mine, who have to constantly work to REDUCE our prices to our customers. There is no such thing as an automatic price increase in the real world.

These companies continue to operate in an inefficient manner because they are "bailed out" by the State, by allowing these increases. "Stop the madness," and tell them to cut their costs and improve their services, like I have to do along with thousands of other businesses in this state. You cannot allow this type of increase on top of the unemployment rate increases, fuel increases, state pension fiasco, the Governors' tax proposals, etc., etc.!

For the record, I have three (3) local companies with over 20 employees, and am expanding (for now!)

Best Regards,

Michael Mancuso



Office Recycling Solutions
Info@OfficeRecyclingSolutions.com
www.OfficeRecyclingSolutions.com
Ph/Fax: 1.401.884.0321



HealthInsInquiry - Health Insurance Rate increases

From: Nancy Whitehead <NancyW@kyran.com>
To: "healthinsinquiry@ohic.ri.gov" <healthinsinquiry@ohic.ri.gov>
Date: 5/19/2011 11:07 AM
Subject: Health Insurance Rate increases
CC: "pjfeat@projo.com" <pjfeat@projo.com>, "pkukiels@projo.com" <pkukiels@pr...

Commissioner Koller,

I have owned a small business in RI since 1980. Most of our work is with state agencies. We have struggled to provide our employees with a good health insurance plan, currently United Health. It is beyond ridiculous to consider an 18% increase in the rates. I can't go to my state agency clients here in RI and request an 18% rate increase because my expenses have increased. These agencies are demanding reductions in our rates, with absolutely no rate increases. Why should this business entity be any different?

I also do not understand where it states in the article in the Providence Journal that United Health was held to a 12.3% increase last year when our group policy increased by 18%. RI was lauded as a model for rate regulations in health insurance. Our business has seen rate increases of over 200% in the last five years. Is this successful rate regulation?

I profoundly request that this rate increase be denied.

Nancy E. Whitehead
President
Kyran Research Associates, Inc.
Aquidneck Corporate Park
Middletown, RI
02842
(401) 849-7734

HealthInsInquiry

From: "steven" <stevenr4472@verizon.net>
To: <healthinsinquiry@ohic.ri.gov>
Date: 5/22/2011 6:06 AM

Why bother complaining, you always say Yes to any type of rate increase. Although I have blue cross, I have gotten an increase EVERY year in August. I no longer go shopping or get take out, thanks to you. Again, this state sucks(my money), Do you get a to share the cash windfall?
Steven

HealthInsInquiry - Proposed Health Insurers 2012 rate increase

From: Sandra Fabrizio <san626@msn.com>
To: <healthinsinquiry@ohic.ri.gov>
Date: 5/22/2011 12:11 PM
Subject: Proposed Health Insurers 2012 rate increase

I am writing to express concern about the proposed rate increases for our state's health insurance companies.

Two weeks ago I received a letter stating that my Blue Cross health insurance premiums were increasing by 27.5%: approximately 13.5% "across the board increase" and the rest specifically for the company for which I work. That means I am now paying almost \$1450 per month for health insurance for my husband and myself. In addition, we have substantial deductibles.

My husband has recently been laid off so we do not have recourse to get health insurance through his employer and I am unable to "shop around" for health insurance due to RI Law 27-18.5-2. Therefore, our choice is to continue to pay what we are told we must pay or go without health insurance. I make a decent amount of money, so would not qualify for the state's health insurance. However after taxes and my health insurance premium, I only take home \$2800 per month. Obviously, my "leftover pay" combined with my husband's unemployment do not make ends meet. We are already dipping into our savings to pay our mortgage, monthly bills and rising food and gas costs.

Blue Cross consistently states that it is losing money, yet it continues to pay exorbitant salaries to its executives, not to mention the fact that they just built a state of the art headquarters. I question Blue Cross' business practices as it relates to their efficiencies. I am not as familiar with the other health insurers' practices, so I cannot speak to that.

The bottom line is that there is just so far that our budget can stretch. We have already and long ago eliminated the "extras" from our lives: electronics, vacations, gifts, etc. It seems that it is time for the health insurers to trim their budgets and find a way to "make ends meet", as most of the rest of us are struggling to do.

The next Blue Cross increase will force us to go uninsured.

Sincerely,
Sandra M. Fabrizio
1 Longview Drive
Narragansett, RI 02882
401-450-4052

5/20/11

To Whom It May Concern:

My name is Peter Lietar. I am the owner and operator of American Products Inc. I am very small manufacturer of bowling pins (Duckpin & Candlepin). Running a small business today is very difficult for many reasons, including the drier economic times and the ever-increasing costs of electricity, gas, plastic and most of all providing my family with health care coverage.

The principal reason that I am writing this letter is because of Health Insurance Premiums. I have been a Blue Cross member for the past 18 years. I have seen a huge increase in my premiums over the past three years. Unbelievably, my insurance rates have increased an astounding 35 percent!

I understand health care costs increase. However, I am 36 years old and I have my 9 year-old son on my Blue Cross policy. It costs me \$8000 per year! I find it extremely troubling that Blue Cross is continually asking for rate increases every year. To me, asking for more money from customers in this economy is outrageous! Blue cross is supposedly a non-profit company! Yet they just built an extravagant building by extorting money from young healthy customers.

The company claims to have financial losses, yet their CEO has an annual salary of \$600,000. Blue Cross has a monopoly on health insurance in Rhode Island. We are forced to pay whatever they demand. Enough is enough! It is time to stand-up to these Big Corporations and their extremely influential and powerful lobbyist. It is time to tell them NO!!!

I have had it, and I am starting to question if staying in Rhode Island is really worth the high taxes, poor public schools, and sky-high Health Insurance costs.

Let the small business exodus begin.



Peter Lietar
American Products Inc.
250 Front St.
Pawtucket, RI. 02860
Ph: (401) 723-9787 Fax: (401) 723-9787

RECEIVED

MAY 24 2011

Health Insurance
Commissioner

RECEIVED

MAY 25 2011

Health Insurance
Commissioner

W.E. JACKSON & COMPANY

BOX 11-3842

CENTREDALE

RHODE ISLAND

02911

PHONE (401) 231-0800

FAX (401) 232-3570

May 24, 2011

Mr. Christopher H. Koller
Insurance Commissioner of Rhode Island
1511 Pontiac Avenue
Cranston, R. I. 02920

Dear Commissioner Koller,

We are writing, as a small business in Rhode Island, to protest the large proposed rate increases, by Blue Cross and United Healthcare for group insurance for the coming year.

First, we were surveyed by our insurer, United Healthcare, to see if we were a large or small business. We were then notified by letter that our renewal rate would increase by 19.11%

Being a small business, with seven employees and only five employees covered by our plan, it cost us \$53,672 for the year 2010 compared with the cost of \$67,342. for the year 2009. The reason for the reduction was due to down-sizing and the decrease in business. Group insurance is the single, largest business expense that we have besides salaries and wages paid. For the future, including the increase in premium, the average cost for each employee will be \$11,292.00 per annum. This is far more than the business can handle..

If the rate increases are granted there will be a large number of small businesses going out of business and a large number of skilled workers without jobs. We urgently need your help or an alternate plan supported by the state similar to the Workers Compensation Insurance Plan taken over by the state in the past.

Sincerely,

Robert E. Jackson, Treasurer
W. E. Jackson & Co. (since 1921)



Bear Rock Engravings

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State of Rhode Island and Providence Plantations
Office of the Lieutenant Governor

Elizabeth H. Roberts
Lieutenant Governor

May 27, 2011

Christopher Koller
Rhode Island Health Insurance Commissioner
1511 Pontiac Avenue, Building 69-1
Cranston, RI 02910

Dear Commissioner Koller:

I am writing to request that you reject the recently announced 2012 rate increase filings from the state's three largest insurers. Blue Cross requested an increase averaging approximately 10.5 percent for both small and large groups while United requested increases of approximately 18 percent for small groups and 20 percent for large groups. Tufts Health Plan's request, although still difficult for businesses to absorb, is significantly lower at 4.8 percent.

Rhode Island businesses continue to struggle to survive and keep their doors open. From the state's largest businesses to small, family-owned businesses, deep and painful cuts and sacrifices are being made in operating budgets. These proposed increases in group insurance rates further strain budgets already stretched beyond their limits, and may contribute to the erosion of employer-sponsored insurance in Rhode Island.

As you know, transforming delivery and payment of healthcare to make it more affordable and sustainable is a top priority of the Health Reform Commission. Insurers and providers must find new ways to reduce costs and pass along the savings to businesses and families. As we continue to implement reforms in the national health law, we must protect those Rhode Islanders who need our help the most. The requested rate increases of up to 20 percent for group insurance are simply outrageous, and they pose a direct threat to Rhode Island businesses. I urge you to use your authority to reject these requests. Thank you for your consideration.

Sincerely,

Elizabeth Roberts
Lieutenant Governor

HealthInsInquiry - Rate Increases

From: <joannee3@verizon.net>
To: <healthinsinquiry@ohic.ri.gov>
Date: 5/29/2011 10:41 AM
Subject: Rate Increases

To United Healthcare of New England Representatives:

I am sending this message in opposition to the proposed rate increases. Given the recent publicity surrounding the earnings of CEO's of health care organizations, I feel it is imperative that the CEOs and other top level administrators take a much needed pay cut in lieu of premium increases for employers.

Sincerely,

Joanne Eichinger, Ph.D.

From: Tom Busch <tbusch@theprofitpointgroup.com>
To: "healthinsinquiry@ohic.ri.gov" <healthinsinquiry@ohic.ri.gov>
Date: 5/29/2011 10:20 PM
Subject: requested rate increases

Mr. Koller:

I haven't written in past years about rate increases for small business health care, but I can no longer sit on the sidelines.

While I am running just a single person software consulting business, it's difficult getting business in the past 2 years because of the recession. I have had to cut my rates and ask for rate cuts from my subcontractors.

Prior to the recession, my business grossed \$250,000 per year. Now, I'm lucky gross half that. My subcontractors are far and few between and I must take every job I can find, eating expenses that I formerly could ask the client to pay.

I haven't taken a salary in 3 of the last 7 months, suffered my first ever loss in 2010 in 27 years of running a business.

Now, UHC wants an 18+% increase, taking another \$154/month from me, and that is with a high deductible plan. I already have a \$5800 family deductible. We have to pay so much out of pocket as it is.

This increase is outrageous, and I know you will fight to reduce it to the bare minimum.

Thank you.

Regards,
Tom Busch
The ProfitPoint Group, Cumberland, RI

HealthInsInquiry - proposed increases in health insurance costs

From: "Roger & Mariam Lavoie" <rams00@cox.net>
To: <HealthInsInquiry@ohic.ri.gov>, "Roger & Mariam Lavoie" <rams00@cox.net>
Date: 5/29/2011 10:45 PM
Subject: proposed increases in health insurance costs

Dear Mr. Koller:

I am vehemently opposed to the rate increase Blue Cross and other carriers have requested. I work for a law firm employing around 50 employees. My employer pays a portion of individual coverage. As employees, we pay the remaining portion, as well as 100% of the difference between individual and family coverage. Every time Blue Cross (our carrier) requests an increase, that increase is passed on directly to us as employees. My employer is no longer willing to pay an increased portion of individual coverage. There is absolutely no reason why the cost of medical coverage should continue to increase at a rate that far exceeds the rate of inflation. Please do not approve ANY increase. As it is, our costs are exorbitant and we have no power to "shop around" in a national market place. In fact, if our employer offers a plan we have no right to "shop around" at all. This situation is unfair, makes no sense and will continue to contribute to Rhode Island's downward economic spiral.

Please feel free to call upon me if you need someone to testify in person. I would be happy to defend my position.

Mariam Alexanian Lavoie
7 Babcock Street
West Warwick, RI 02893
(401) 323-5224

HealthInsInquiry - 2011 Blue Cross small business premium rate

From: Denise Hubbard <dchubbard538@hotmail.com>
To: <healthinsinquiry@ohic.ri.gov>
Date: 5/30/2011 10:27 AM
Subject: 2011 Blue Cross small business premium rate

Dear Health Commissioner,

I just received our notice for my small business, Ocean State Anesthesia Partners.

The rate increase quoted is 28.5% which seems extremely high. We have 3 people on our policy including myself.

No one is catastrophically ill. I have read your offices' recommended rate changes and am really confused how we can have such a high increase.

This happened to us a few years ago also and it really is upsetting.

Do you have any advice or recommendations. We are already at a \$1,000.00 deductible.

Thank you for your attention to my issue.

Denise Hubbard

HealthInsInquiry - Proposed Health Insurance Premium Increases

From: "Beattie, Christopher" <christopher_beattie@brown.edu>
To: <HealthInsInquiry@ohic.ri.gov>, <EVANS@dbr.ri.gov>, <herb.olson@ohic.ri....>
Date: 5/31/2011 9:10 PM
Subject: Proposed Health Insurance Premium Increases

Hello,

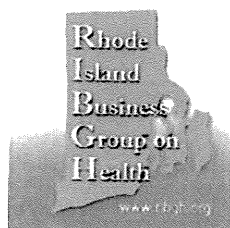
Our family considers ourselves lucky: my wife and I both have steady jobs. At the same time, this year I got a 1% raise. The year before was 2.5%. The year before was zero. My wife is facing a third straight year without a raise.

In the meantime, our property insurance increased 30% this year, and our excise tax more than quadrupled. That's right, more than quadrupled. Forget food, forget gas, forget everything else. Our family raise is spoken for 5 times over. In other words we are already losing ground, and now this. Did we not just approve a health insurance rate increase a year or so ago?

And remember, we are some of the lucky ones.

Chris Beattie

Rhode Island Business Group on Health



Promoting a better
Healthcare delivery system
for all Rhode Islanders

PO Box 41108
Providence, RI 02940-1108
info@ribgh.org

June 6, 2011

Christopher Koller
Rhode Island Health Insurance Commissioner
Office of the Health Insurance Commissioner
1511 Pontiac Avenue, Building 69-1
Cranston, RI 02920

RE: Proposed Rate Factors Filed by Major Commercial Health Insurers Operating in Rhode Island

Dear Commissioner Koller:

In advance of the Health Insurance Commissioner's rate review hearing on June 8, the Rhode Island Business Group on Health (RIBGH), a coalition of over sixty-five Rhode Island employers of all sizes offers our position on the 2012 small and large group health plan rate factor filings submitted by Tufts Health Plan (Tufts), UnitedHealthcare of New England (United) and Blue Cross & Blue Shield of Rhode Island (Blue Cross).

As in prior position statements on this subject, a primary concern of RIBGH is to ensure that cost of group health insurance in Rhode Island remains affordable for our employers and their employees. In a state where our economic recovery has been anemic at best (with the third worst unemployment rate in the country at 10.9%), it is essential that health insurance increases be limited to no more than absolutely necessary if we are to avoid choking off what little job growth we have seen in the past two years. Failure to adequately control the rise in the cost of health insurance premiums will only result in the need for employers to either shift more of the cost of health care to their employees, move more jobs out of state, or drop coverage altogether. This trend is clearly shown in a recent report from your office which found that the number of privately insured Rhode Islanders has declined by 65,000 (10%) since 2005. This continued erosion of employer-sponsored health insurance takes much-needed premium dollars out of the health care system, thereby reducing the revenue available to insurers to pay claims to providers and build adequate reserves. While controlling the rate of premium increase means that some insurers may not receive the amount of increase requested in their 2012 rate factor filings, we believe that the only way to stabilize the system in the short run is to keep health insurance coverage as affordable as reasonably possible while the economic recovery takes hold.

The most recent rate factor filings provided by the three major insurers in Rhode Island certainly represent a wide range of proposed increases, from a low of 4.8% to a high of 20.1%. It is somewhat alarming that the rate factor filings are spread out over such a wide range, given the fact that these three insurers essentially cover the same types of medical services using almost identical provider networks. Unlike past years, where increase requests were more consistent and seemed driven primarily by the underlying health care cost trend, this year it is more difficult to find a clear theme behind what is driving these increase requests and why there is such a disparity between the carriers. As a result, this position statement will address each of the carrier requests separately, since each situation appears to be unique.

The rate factor request submitted by Tufts (4.8% for both small and large group employers) is at a level that is consistent with our position that increases “be limited to no more than absolutely necessary” in 2012. In fact, the requested increase is well below the expected medical inflation rates identified by all three of the carriers in their respective filings and is also below the 7.57% nationwide increase in the average per capita cost of health care services tracked by the S&P Healthcare Economic Commercial Index for the twelve month period ending March 2011. In reviewing Tufts’ rate filing, we note that the primary reason for their lower-than-trend request is to improve their competitive position in the Rhode Island market. While we applaud their business decision to seek to expand their presence in our state by making coverage more affordable to a broader segment of the employer market, we also wonder whether Tufts will be able to sustain this level of increase in succeeding years without taking additional steps to control the future rate of medical inflation within their network. We would also like to see them make a greater investment in primary care in Rhode Island than their 7.9% expected medical inflation rate for that category suggests.

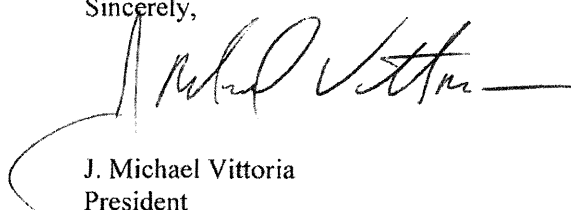
At the other extreme, we cannot support United’s filings of 18% for small groups and 20.1% for large groups. By simple comparison to the other carriers, their estimated medical inflation rates are excessively high. If anything, we would expect United’s trend estimates to be lower than the others since they have a higher percentage of members in consumer-driven health plans, which historically have lower cost trends than traditional PPO plans. In particular, we are concerned about their estimated inflation rates for inpatient and outpatient hospital care compared to those of Blue Cross and Tufts. This is especially disappointing in light of United’s well-publicized and contentious negotiations with the Care New England hospital network last year in which RIBGH took a public position in support of United’s effort to keep hospital cost increases at a reasonable level by following the OHIC’s six hospital contracting conditions. And, applying our general standard that increases “be limited to no more than absolutely necessary,” it is difficult to make a case for a rate increase based on United’s financial health. The recent announcement by their parent company (UnitedHealth Group, Inc.) that they were increasing their dividend to shareholders by 30% while also spending nearly \$5.3 billion to buy back 110 million shares of their stock are two clear indications that they have excess cash that they intend to return to their shareholders. While this is certainly good news for United’s shareholders, it also undermines any credible argument for a rate increase of the magnitude they are seeking.

The rate increase request by Blue Cross falls squarely in the middle in that it is about twice that requested by Tufts but only about half of what United has requested. However, as the dominant insurer in the market, Blue Cross’s premium rates have the broadest impact on the overall cost of health insurance to Rhode Island’s economy and, as a result, their request requires more careful scrutiny than the others. We believe that Blue Cross deserves credit for taking some significant steps to improve its financial position by reducing its administrative cost and operating deficit in the past year. We also support the changes they have made to their drug formulary to reduce the impact of

increasing pharmacy costs on overall premium rates. We believe that their decision to adopt the OHIC's six hospital contracting conditions as a basis for negotiations with Lifespan last year has had a favorable impact on their expected hospital medical inflation rates for 2012. Finally, Blue Cross has made a major commitment to the Patient Centered Medical Home model of primary care, which is reflected in its higher (and, in this case, desirable) medical inflation rate in that category. While each of these steps have had a positive impact on Blue Cross's 2012 rate request, we still find it difficult to believe that Rhode Island's economy can withstand a 10.5% premium increase from its dominant insurer, especially where a smaller competitor (Tufts) is requesting a significantly lower rate increase that does not include an allocation for either reserves or profit, while Blue Cross is requesting a 3.3% allocation in that area. Although Blue Cross is rightfully concerned (as are we) that their reserves have dropped to 15% of premium, we believe that this is the unfortunate result of the loss of insured members due to a poor economy exacerbated by the high cost of health insurance. In that regard, the cure for Blue Cross's ills is the same as the rest of the Rhode Island economy - job growth in sectors that provide affordable employee health insurance coverage. In the short run, this may require all of us to accept a lower reserve rate to help keep premiums more affordable until employment returns to pre-recession levels.

As always, thank you for the opportunity to comment on a variety of health care topics, including the rate factor filings.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Michael Vittoria", with a long horizontal flourish extending to the right.

J. Michael Vittoria
President
Rhode Island Business Group on Health



State of Rhode Island and Providence Plantations

HOUSE OF REPRESENTATIVES

REPRESENTATIVE TERESA ANN TANZI, District 34

June 6, 2011

Commissioner Christopher F. Koller
Health Insurance Commissioner
Office of the Health Insurance Commissioner
1511 Pontiac Avenue, Building 69, First Floor
Cranston, RI 02920

Commissioner Koller:

I am writing to you to urge that you reject the rate factor requests put forward by Blue Cross and Blue Shield of Rhode Island as well as UnitedHealthcare for 2012. I have a number of specific concerns with the proposal.

1. Administrative Costs

While Blue Cross and United generally point to a fairly steady percentage of premiums going to administration and profit, this means that such costs have been *increasing at the rate of medical inflation*, rather than at the much lower rate of general inflation. Allowing administrative costs to increase by double-digit percentages along with medical costs is simply a luxury that no business, least of all health insurers, can afford. Even worse is that both insurers are proposing to increase the share of premium going to administrative costs – meaning cost inflation above and beyond their double-digit rate increases – for the battered small group market.

I recognize that broker fees and taxes will rise in concert with overall premiums. But the rest of administrative costs should not.

Insurers cannot shed overhead as quickly as their skyrocketing premiums – in concert with the larger economic crisis -- are causing them to shed members, a problem that Blue Cross acknowledges in Exhibit IV of its filing. My concern is that continuing to allow rates to continue to will only exacerbate this problem, foisting ever higher costs on an ever-shrinking commercial insurance population. We cannot rely on federal reform to simply “fix” this situation.

I urge you to require that administrative costs aside from taxes, fees and commissions for all large group and small group customers to increase at no greater than the projected core inflation rate of 1.5 percent for 2012.

2. Medical Cost Inflation

While I believe Blue Cross and United are sincere in their concern about increasing medical costs, I am deeply disappointed in the willingness of these insurers to provide meaningful support to efforts that could help substantially reverse this trend.

In particular, I was disappointed to see both insurers express opposition to House Bill 5305, legislation that I cosponsored which would require approval by your office of contracts negotiated between insurers and hospitals. While this bill is not the only way to bring balance to negotiations between insurers and providers and to level the playing field between less powerful community hospitals and more powerful hospital systems, I am disturbed by an apparent resistance on the part of the insurers to other approaches as well.

For instance, both insurers objected to the suggestion by the recent Special Senate Commission on Hospitals to create a provider payment reform task force that would determine appropriate payment levels by payer, hospital, and inpatient/outpatient service type, stating, in United's words, that this would "stifle innovation and create a government rate-setting type structure."

Notwithstanding the hyperbolic nature of this critique, neither insurer has made a compelling case for the value of their so-called "innovation" in the way they pay providers in the past. Nor have they explained how maintaining that ability to "innovate" is preferable to a rate-setting system given that Maryland, the only state with such a system, has had the lowest hospital cost growth of any state between 1976 and 2008, meaning that the Maryland hospital industry has an estimated \$1.8 billion less in annual cost than it would have had if it had grown at the national average during that time (with cumulative savings of more than \$40 billion).¹

If the insurers wish to maintain control over their own rate negotiations, not to mention maintaining the lack of transparency around their payment rates to various providers, it is incumbent upon them to provide real leadership – and show real results – in payment reform and cost control efforts. But the insurers' refusal to adapt effectively to previous rate decisions by your office (as discussed below) is not an encouraging track record.

In the rate filings, the insurers at times even express pessimism about the potential to reverse spiraling health care costs. "We anticipate some risk of increased utilization by specialists," Blue Cross writes on page 2 of Exhibit I, "due to restricted increases in reimbursement rates anticipated over the next few years and the corresponding upward 'pull' inherent in the fee for service system." In other words, "we can limit what we pay the specialists, but they're just going to bill us for more services to make up for it."

I applaud your office's efforts to reform insurer-hospital contracts and urge you to use the rate review process as much as possible to force additional medical cost control measures on insurers and providers.

3. Refusal to effectively abide by past rate increase reductions

I recognize that rate increases are based on projections and that unanticipated events can occur. But on the other hand, absent major emergency situations akin to a flu pandemic, the rate factor review process can only have a meaningful and intended impact if insurers operate within the rate increases they are granted for a given year. That United attributes 7.3 percent of its requested 20.1 percent large group rate increase and 2.9 percent of its 18 percent small group rate increase to inadequate rates charged in 2011 suggests to me that they are simply seeking to use 2012 rate factor requests as another bite at the apple to enact previously rejected rate hikes.

¹ Robert Murray, "Setting Hospital Rates to Control Costs and Boost Quality: The Maryland Experience." *Health Affairs*, Vol. 28, No. 5, September 2009.

Blue Cross and Blue Shield appears to have a different way of achieving the same goal – blaming past reductions of their rate increase requests for losses in 2009 and 2010, and seeking substantially higher reserve contributions to recoup the reserve funds that they used to offset those losses.

Blue Cross states that unfavorable financial results “caused our reserves to fall by \$50 million since the end of 2009.” But another way of looking at this is that Blue Cross used its reserves to the tune of \$50 million in 2010 to compensate for past rate increases which they were not granted. The company has not, however, presented any legitimate reason as to why they should have needed to utilize reserves in both 2009 and 2010, aside from not being granted rate increases that your office had deemed excessive.

I urge you to require that any increases in contribution to reserves be used only for genuine emergency situations, and require all insurers to provide documentation in future filings as to why they were forced either to utilize reserves or to request additional increases for “prior year adjustments” and what steps they plan to take in the future to prevent similar adjustments from occurring again. Insurers should also be asked to provide explanations of how they adjusted to reductions of any previous rate increase requests from the prior year.

Thank you for your diligent scrutiny of these rate increase requests. I greatly appreciate the input you have already given to the General Assembly in terms of legislative action that you believe may help to strengthen the rate review process and enable further cost control efforts, and I hope to work with you further in the future to achieve legislative solutions that will hopefully avert the sort of year after year requests like the ones before your office for 2012.

Sincerely,

A handwritten signature in cursive script that reads "Teresa Tanzi".

Representative Teresa Tanzi
District 34 –Narragansett, Wakefield and Peace Dale
Member, House Committee on Corporations

Looking Upwards, Inc.

www.lookingupwards.org

June 6, 2011

Christopher F. Koller
Health Insurance Commissioner
Office of the Health Insurance Commissioner
1511 Pontiac Ave.
Building 69-1
Cranston, RI 02920

Dear Mr. Koller,

As the executive director of Looking Upwards, a non profit organization based in Middletown I am writing to express my concern at the requested increases in health insurance premiums by the carriers. Looking Upwards provides supports to children and adults with developmental disabilities. We employ 500 full and part time staff members and provide health insurance to close to 200 people. Health insurance is our second largest expense after payroll. This past year our premium was over 2 million dollars. As a provider of services for people with disabilities we receive the majority of our funding from Medicaid dollars which are a combination of state and federal funding. Over the past several years we have experienced a decrease in funding and are facing another difficult year.

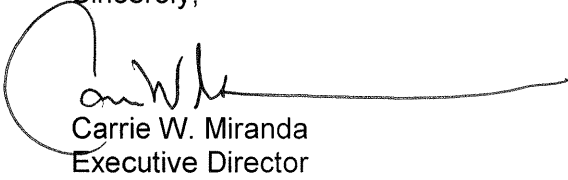
Our organization is currently under contract with United Healthcare of New England and the proposition of a 20% base increase to premiums is difficult to imagine. Historically, we have been proud to provide a solid health care benefit to our employees. As we have experienced funding cuts and increases in health insurance expenses, we have had to pass along the rising costs to our employees. They have experienced high deductibles, increased co-pays and more money out of their paychecks to keep their insurance.

Over the years we have been extremely proactive in working to maintain affordable health insurance. We have participated in group purchasing of health insurance through our trade association, Community Provider Network of Rhode Island and we have also taken on additional risk through a partial self insurance model. These steps have certainly slowed the increases and have allowed us to offer the best insurance possible to our employees.

The starting rate for our employees is \$10.48 per hour and many are working two jobs to make ends meet. I am extremely concerned that with a 20% increase in our rates we will no longer be able to provide insurance that will be affordable to employees because our level of funding does not allow us to absorb this cost. It will be necessary to increase co-pays and deductibles to the level that will force employees away from using the insurance and for the first time ever they will be underinsured.

When considering the request by the insurance carriers to increase rates, please keep in mind the impact on Rhode Islanders that choose the career path of human services. These folks work extremely hard and deserve access to the best health insurance Rhode Island has to offer.

Sincerely,

A handwritten signature in black ink, appearing to read "Carrie W. Miranda", with a long horizontal flourish extending to the right.

Carrie W. Miranda
Executive Director



State of Rhode Island and Providence Plantations

DEPARTMENT OF ATTORNEY GENERAL

150 South Main Street • Providence, RI 02903

(401) 274-4400 - TDD (401) 453-0410

Peter F. Kilmartin, Attorney General

June 6, 2011

Mr. Christopher F. Koller
Health Insurance Commissioner
Office of the Commissioner
1511 Pontiac Avenue
Building 69-1
Cranston, RI 02920

Re: Rating Factors Applicable to Small Group Subscription Rates for New and Renewal Business, Effective January 1, 2012 through December 1, 2012;

Rating Factors Applicable to Rhode Island Builders Association Subscription Rates for New and Renewal Business, Effective November 1, 2012;

Rating Factors Applicable to Large Group Subscription Rates for New and Renewal Business Effective January 1, 2012 through December 1, 2012, including Required Early Notice Renewals Effective January 1, 2013

Annual Small and Large Employer Rate Factor Filings – Effective January 1, 2012
United Healthcare of New England, Inc., United Healthcare Insurance Company

Large and Small Group Rate Filings Effective January 1, 2012
Tufts Associated Health Maintenance Organizations, Inc. and Tufts Insurance Company

Dear Commissioner Koller:

I am writing to express my concerns regarding the proposed rate increases filed by Blue Cross for its small group, large group and Rhode Island Builders Association coverage (referenced above “the Blue Cross Filings”) with your office on May 17, those filed by United HealthCare for its large and small groups filed on May 17 (referenced above “the United Filings”) and those filed by Tufts Associated Health Maintenance Organizations, Inc. and Tufts Insurance Company for its large and small groups filed on May 9 (referenced above “the Tufts Filings”). Given the extreme economic circumstances Rhode Island citizens are continuing to face, I write to request that you review the appropriateness of the rate increases in these filings in the context of a full public hearing, rather than through the limited “public comment” venue.

As you are aware, a full public hearing provides an opportunity for the Attorney General, the public's advocate, to fully review proposed rate increases and protect the interests of the public. Without a full public hearing, the Attorney General will not have an opportunity to obtain expert assistance to conduct a complete review of each of these filings, including the rating factors upon which they are based that would be used in the calculation of the rates ultimately approved. A full review in the public hearing process would provide complete transparency for those who are being asked to pay these proposed increases.

As you are also aware, our office has been concerned for some time about the apparent attitudes health insurers have had toward their subscribers in numerous areas, including the extent of reserves they amass as well as their apparent unwillingness to give consideration to their subscribers when they expend increasing amounts for administrative expenditures. In its filings, Blue Cross has asked you to approve a reserve contribution of 3% of the premium dollars it asks in this filing, plus an additional 0.34% to pay for its core operating system. During the most recent public hearing in February for Blue Cross's Direct Pay filing, Blue Cross admitted that not only has this system's cost increased approximately \$100 million (70%) from its initial estimates but that there is no guarantee that this will even be the complete cost for this project.¹ This area certainly bears further inquiry, as well as a requirement that Blue Cross take responsibility for bringing this project in at a defined cost, rather than to simply keep coming back to its subscribers to pay the increasing costs that apparently currently have no end in sight. For its small group business, United asks for a reserve contribution of 2.5% and a contribution of 2.2% for its large group business.² As the citizens of Rhode Island continue to face record rates of unemployment and employers are struggling to find new ways to provide health insurance benefits (often through shifting increasing responsibility to their employees) more than a perfunctory review is warranted.

In public hearings concerning health care over the years, the Attorney General's Insurance Advocate has adamantly objected to the manner in which Blue Cross has spent premium dollars for administrative expenses. Although there have been no public hearings for the group business filed by Blue Cross, United and Tufts, my concerns regarding the ongoing increases in administrative costs, as well as the amount spent, extends to these filings as well. In Blue Cross's filings this year, it states it is seeking approval of average administrative components of 14.6% and 12.7% for its small and large groups, respectively, while acknowledging that its administrative costs are increasing while its membership is decreasing. Although Blue Cross states in its filings that it is spending increasing amounts of administrative dollars to lower costs of medical expenses and improve quality, it is difficult to explain to those having to pay these costs that the general administrative expense ratio for these members continues to rise.

¹ Tr. 2/3/11 at pp. 180-185. This is after Blue Cross has expended countless premium dollars on other systems that have failed in recent years.

² An overall reserve component of 3.1%.

In United's filings, it seeks approval for its plan to charge 13.3% and 12.8% of premium for administrative expenses for its small and large group business, respectively. Tufts does not show much of a difference from the other two insurers in its requests for approval of an expenditure of 13.5% and 13.0% of premium for administrative expenses for its small and large group business, respectively. This presents important questions that could, and should, be more appropriately and transparently addressed in a full public hearing. Because of the public hearings for Blue Cross's Direct Pay (individual) products, the public has access to much more information regarding the nature of Blue Cross's expenses – United and Tufts should be subject to the same scrutiny.

It is also noteworthy that these insurers admit that there are declines in the claims expenses that are being incurred as well in utilization by these members. Undoubtedly, these declines are at least partially related to the shifting of costs for health care and insurance premiums by employers who can no longer afford these continually increasing costs to their employees. The resulting heavy burden on employees can cause them to avoid or postpone care. Despite noting these downward shifts in utilization and expenses for claims, appropriate treatment is not occurring in the ratemaking for these groups that would take these declines into account; rather, the apparent position is being taken that these trends are not likely to continue and should not be believed. This is yet another issue that could, and should, be explored further in a full public hearing.

Also of concern are the following statements contained in United's filings:

"Please note that the increases submitted in this filing reflect not only our current trends but also the impact of a reduction in the rates we filed last year and the temporary withdrawal of our rate filing that you requested in 2009. The impact of these reductions to actuarially sound requests has a cumulative effect over time and will continue to adversely affect our ability to control premium costs in the future."

It is patently unfair and unreasonable for United to be able to obtain approval for rates that do not apparently accurately reflect true trends and costs for this year, rather than prior years for which United did not obtain approval of its filed requests.

Beyond the concerns already noted, the filings provide no insight as to how factors are applied to any specific group. For example, the filings provide no information regarding how a group's prior experience is considered in establishing its premium rates. Additional information can be obtained as a result of public hearings that better inform the public as to how these rate factors will impact specific groups.

Moreover, given the fact that there have been no hearings for the group business, these extremely difficult economic times facing Rhode Island citizens and businesses make the need for a full

Mr. Christopher F. Koller
Page Four
June 6, 2011

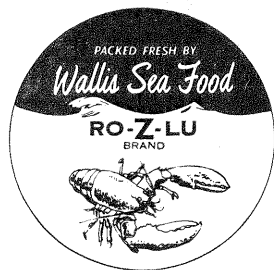
public hearing to examine these proposed increases by Blue Cross, United and Tufts even more compelling.

At a time when Rhode Island seeks to attract business, it is appropriate that businesses that might consider locating to or remaining in our state be permitted to obtain health insurance coverage for their employees. In the interests of all Rhode Island residents, I urge that you not summarily grant these rate increases that have been proposed by Blue Cross, United and Tufts. Instead, I urge you to review these proposed rate increases under the bright light that will be brought through the public hearing process to ensure that any rate increases approved are appropriate and necessary.

Sincerely yours,

A handwritten signature in cursive script, reading "Peter F. Kilmartin". The signature is written in dark ink and is positioned above the printed name and title.

Peter F. Kilmartin
Attorney General



Wallis Seafood, Inc.

136 Maple Avenue, Barrington, R. I.

02806

Telephone 245-6666

6/6/11

To whom it may concern:

My BLUE CROSS just ESCALATED 21.3%,
which makes my monthly premium \$1,801.11!
How can a company with multi-billion
DOLLAR profits justify this, or any future
RATE ~~INCREASES~~? This is the major issue
facing small businesses (there are, of course, many others);
and causing their demise. Can we stop these
GREEDY insurers?

Yours truly,
Shawn J. Wallis
THOMAS J. WALLIS, PROPRIETOR

HealthInsInquiry - Public Comment on Health Insurer Requests for Rate Increase

From: "Daria Hemmings" <dhemmings4@verizon.net>
To: <healthinsinquiry@ohic.ri.gov>
Date: 6/7/2011 8:21 PM
Subject: Public Comment on Health Insurer Requests for Rate Increase

Dear Commissioner Koller,

I am writing to express my view that any request by BCBS of Rhode Island should be denied.

In May of this year, all employees at the company where I work in Providence received new ID cards for a new plan from BCBS. My employer did not request a change in plan and neither were they informed by BCBS of this shift. They simply did it on their own initiative.

In addition, BCBS – again at its own initiative – decided to shift our plan from a calendar year to a plan year. With this capricious move, any out-of-pocket payments made to satisfy our annual \$500 deductible were suddenly rendered worthless. Now, they could have “grandfathered” the already made payments given the circumstances, but no. If you already met your \$500 deductible before May, well that was too bad. You have to pay all over again. And so I am.

So as far as I’m concerned, BCBS of Rhode Island has already gotten their rate increase out of me - \$500 – and I’m sure I’m not alone! Add to this their ratty customer service where you get a different answer every time you call and their lack of communication to my employer and thus to us, and I think they need to work a little harder to justify more money. Imagine what they could do if they tried!

I strongly encourage you to deny their request.

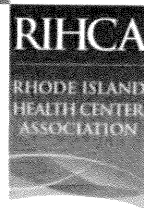
Sincerely,

Daria Hemmings

HealthInsInquiry - proposed rate increase

From: <diana.rivers@paladinpt.com>
To: <healthinsinquiry@ohic.ri.gov>
Date: 6/10/2011 6:00 AM
Subject: proposed rate increase

As a small business owner of a Physical therapy practice in RI, that just got hit with a 15% increase in health insurance costs for self and employees next year, I am writing to ask that you not allow another increase for health insurance. It is unsustainable for most families and businesses at the rates now. The claims that they are paying out more for services is questionable, in my area I have worked in RI for 20 years and there was only one increase in payments through BCBS several years ago and now most plans have such high deductibles in place for PT, OT Speech therapy and Radiology that the patients are paying more than the insurance companies. Small businesses definitely pay more because there is no bargaining room where as large companies can hire brokers and make deals with these companies as well. The rate increase this year was above and beyond what most can pay for and because reimbursement for PT services in this state is the top 10 lowest for the country we cannot even recruit new therapists to stay in this state because they get paid much higher in MA and CT. This is a problem for overall health care in this RI. There is way to many problems to address, the last increase was bad enough but to add to it would be unsustainable. Please consider this. Diana Rivers, owner Paladin Physical Therapy



June 10, 2011

Christopher F. Koller
Health Insurance Commissioner
1511 Pontiac Ave, Building #69 First Floor
Cranston, RI 02920

Dear Commissioner Koller,

I write today on behalf of the Rhode Island Health Center Association (RIHCA) and its members, Rhode Island's ten community health centers, to comment on the proposed rate increases for small and large group health insurance by the three commercial insurers in Rhode Island. Blue Cross Blue Shield of Rhode Island has requested an average increase of 10.5%; United has requested an average increase of 18-20%; and Tufts has requested a more reasonable 4.8% increase. The continued requests for increases from our state's private insurers, and the level of increase they request is concerning. The health centers are both employers and health care providers, and our concern comes from both perspectives.

Rhode Island's ten community health centers are a critical element in the state's health care landscape. Serving 125,000 Rhode Islanders annually, the community health centers provide comprehensive, high quality primary and preventive care to some of Rhode Island's most vulnerable populations. About 19% of our patients were privately insured in 2010, down from 22% in 2008. We are active proponents of the medical home model of care, participants in the Rhode Island Chronic Care Sustainability Initiative, the Beacon Community and the Rhode Island Chronic Care Collaborative, and early adopters of electronic medical records. In addition, the health centers and RIHCA together employ over 900 people; some are large employers with well over 50 employees, while others are small employers, with fewer than 10 employees.

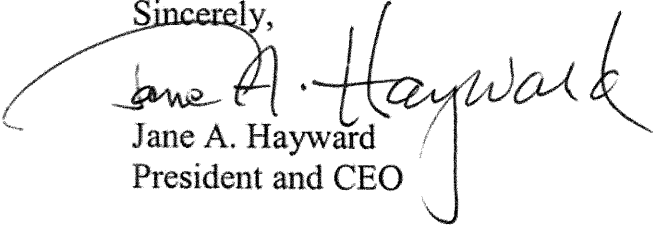
Rhode Island as a whole has seen a decrease in the number of privately insured patients, as have the community health centers. We are concerned that continued increases in health insurance premiums will continue to affect this trend.

Further, RIHCA and our health centers are concerned about the additional cost that we will incur as employers in order to continue to provide insurance to our workers. As with all employers, should rate increases be approved, the health centers will have to decide what costs to pass on to our employees and what costs the health centers are able to absorb. If the health centers pass the additional costs on to employees, we fear that some of our employees will be unable to pay additional premiums, and may become uninsured. If the health centers absorb the additional cost of higher insurance rates, we will limit our ability to grow to meet the needs of the increasing numbers of patients in need of our services, including the growing population of uninsured Rhode Islanders.

While we remain very concerned about the rate increases, RIHCA commends the plans on some of the work they are doing to increase affordability of health care and insurance. As we have commented in the past, the community health centers support the Insurance Commissioner's initiatives to address insurance affordability, quality of care, and access to primary care.

In conclusion, RIHCA urges the Health Insurance Commissioner to carefully review the insurers' requests for very high rate increases, and to continue to insist that the insurers are working to reduce costs and increase the quality of health care in Rhode Island. These rate increase requests are simply unsustainable. RIHCA remains committed to working together with OHIC and the plans to continue to address affordability. At this time, however, RIHCA is opposed to the rate increases requested by the three commercial insurers, and particularly those of BCBSRI and United.

Sincerely,



Jane A. Hayward
President and CEO